

## **RESOLUTION NO. 09-42**

### **RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING AND APPROVING A SECOND AMENDMENT TO A LOAN AGREEMENT, DATED AS OF JUNE 1, 1999, AMONG WELLS FARGO BANK, NATIONAL ASSOCIATION, CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AND RRR REAL ESTATE COMPANY, LLC, R B R MEAT COMPANY, INC., ROSE & SHORE, INC. AND RITE-WAY MEAT PACKERS, INC., FOR THE PURPOSE OF FINANCING AN ECONOMIC DEVELOPMENT FACILITY OPERATED BY BORROWER**

**WHEREAS**, the California Infrastructure and Economic Development Bank (the "Issuer") was established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) (the "Act"), for the purpose of promoting economic development; and

**WHEREAS**, the Issuer is authorized to issue bonds (defined in the Act to include loans) to provide financing for economic development facilities (as such term is defined in the Act) located in the State of California; and

**WHEREAS**, on April 27, 1999 and May 25, 1999, the Issuer adopted Resolutions No. 99-35 and No. 99-38, respectively, which together approve a tax-exempt loan from Wells Fargo Bank, National Association (the "Bank") to the Issuer in an amount not to exceed \$5,400,000 (the "Issuer Loan") and a loan of the proceeds of the Issuer Loan from the Issuer to RRR Real Estate Company, LLC, R B R Meat Company, Inc., Rose & Shore, Inc. and Rite-Way Meat Packers, Inc. (collectively, the "Borrower"), for the purpose of (a) financing the costs of acquisition of real property located in the City of Vernon, California, construction of a building thereon and acquisition and installation of manufacturing equipment therein, to be used to process and distribute meat and other food products (the "Project") and (b) paying capitalized interest and costs of issuance in connection with the Issuer Loan and the loan of the proceeds thereof; and

**WHEREAS**, pursuant to Resolutions No. 99-35 and No. 99-38, the Issuer entered into a Loan Agreement, dated as of June 1, 1999 (the "Original Loan Agreement"), among the Bank, the Issuer and the Borrower, providing for a tax-exempt Issuer Loan in the aggregate principal amount of \$5,400,000, and a loan of the proceeds of the Issuer Loan from the Issuer to the Borrower (the "Borrower Loan") for the purpose of financing the Project and paying capitalized interest and costs of issuance in connection with the Issuer Loan and Borrower Loan; and

**WHEREAS**, pursuant to Section 11.01 of the Original Loan Agreement, the Bank assigned its interest in the Loan Agreement to WFC Holdings Corporation (the "Lender"), an Affiliate of the Bank (as defined in the Loan Agreement); and

**WHEREAS**, pursuant to Section 13.07 of the Original Loan Agreement, the Lender, the Issuer and the Borrower entered into a First Amendment to Loan Agreement, dated as of July 1,

2001 (the "First Amendment" and, together with the Original Loan Agreement, the "Loan Agreement"), to modify the dates for certain reporting requirements and a financial covenant of the Borrower; and

**WHEREAS**, the Borrower and the Lender desire to amend and supplement the Loan Agreement to amend the formula for the determination of the variable interest rate payable on the Issuer Loan and Borrower Loan, the terms of prepayment thereof, financial covenants of the Borrower and to add provisions pertaining to an interest rate swap to be entered into by the Borrower and have requested the Issuer's approval for such amendments and supplements; and

**WHEREAS**, pursuant to Section 13.07 of the Loan Agreement, the Issuer, the Lender and the Borrower may amend, supplement or modify the provisions of the Loan Agreement by a written instrument signed by all of the parties; and

**WHEREAS**, the outstanding principal balance of the Loan is \$3,914,241.66; and

**WHEREAS**, there has been presented to this meeting and is now on file with the Secretary of the Issuer a proposed form of the Second Amendment to Loan Agreement (the "Second Amendment"), to be entered into by and among the Lender, the Issuer and the Borrower; and

**WHEREAS**, the Issuer has determined to approve and authorize the execution of the Second Amendment;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors (the "Board") of the California Infrastructure and Economic Development Bank, as follows:

**Section 1.** The Board hereby finds that the above recitals are true and correct.

**Section 2.** The Issuer hereby approves the amendment of the terms of the Issuer Loan and Borrower Loan to amend the formula for the determination of the variable interest rate payable on the Issuer Loan and Borrower Loan, the terms of prepayment thereof, financial covenants of the Borrower and to add provisions pertaining to an interest rate swap to be entered into by the Borrower. The other terms of the Issuer Loan and Borrower Loan, are hereby approved, confirmed and ratified.

**Section 3.** The form of the Second Amendment on file with the Secretary of the Board (the "Secretary") is hereby approved and the Chair of the Board, the Chair's designee, or the Executive Director of the Issuer (the "Executive Director"), each acting alone, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and deliver the Second Amendment in substantially said form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this resolution and as the officer or official executing the same, with the advice of counsel to the Issuer, may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof. The Secretary is authorized to attest to the Issuer's execution of the Second Amendment.

**Section 4.** The Chair of the Board, the Chair's designee or the Executive Director,



each acting alone, is hereby authorized to execute and deliver any and all certificates and instruments, including, without limitation, letters of representation and certifications of authority, which they, with the advice of counsel to the Issuer, may deem to be necessary or appropriate to this transaction and to effectuate the purposes of this resolution.

**Section 5.** All actions heretofore taken by the officers, employees and agents of the Issuer with respect to the transactions contemplated by this resolution are hereby approved, confirmed and ratified, and the officers, employees and agents of the Issuer are hereby authorized and directed, jointly and severally, to perform their duties and to execute and deliver any and all certificates which they or counsel to the Issuer may deem necessary or advisable in order to consummate the amendments described in this resolution and otherwise to effectuate the purposes of this resolution.

**Section 6.** This resolution shall take effect from and after its adoption.

**PASSED, APPROVED, AND ADOPTED** at a meeting of the California Infrastructure and Economic Development Bank on October 27, 2009, by the following vote:

AYES: BERTE, LUJANO, SHEEHY, AGUIAR

NOES: NONE

ABSENT: RICE

ABSTAIN: NONE

By Stanton C. Hazelroth  
Stanton C. Hazelroth, Executive Director

Attest:

By Roma Cristia-Plant  
Roma Cristia-Plant, Secretary